

RELIEF OF CERTAIN TREASURY DEPARTMENT DISBURSING OFFICERS

FEBRUARY 17 (calendar day, FEBRUARY 21), 1925.—Ordered to be printed

Mr. JONES of Washington, from the Committee on Commerce, submitted the following

REPORT

[To accompany S. 4260]

The Committee on Commerce, to whom was referred the bill (S. 4260) to provide for the relief of certain Treasury Department disbursing officers, having considered the same, report favorably thereon and recommend that the bill do pass without amendment.

The bill has the approval of the Department of the Treasury, as will appear by the annexed communication.

TREASURY DEPARTMENT,
Washington, February 12, 1925.

Hon. W. L. JONES,
Chairman Committee on Commerce,
United States Senate.

MY DEAR SENATOR: I have your letter of February 10, 1925, inclosing a copy of a bill (S. 4260) to provide for the relief of certain Treasury Department disbursing officers, and requesting that the committee be furnished with such suggestions as deemed proper touching the merits of the bill and the propriety of its passage.

In reply, I have the honor to invite your attention to the below-enumerated facts and to the views of the Treasury Department:

The act of January 28, 1915 (38 Stat. 802), establishing the Coast Guard, provides—

"That in computing length of service for any purpose, all creditable service in the Navy * * * shall be included * * *."

The act of May 18, 1920 (41 Stat. 603), provides—

"That commissioned officers, warrant officers, petty officers, and other enlisted men of the Coast Guard shall receive the same pay, allowances, and increases as now are, herein are, or hereafter may be prescribed for corresponding grades or ratings, and length of service in the Navy * * *."

The act of June 4, 1920 (41 Stat. 835), provides—

"That for the purposes of computing longevity pay and retirement privileges of officers and enlisted men of the Navy, all creditable service in the Coast Guard and former Revenue-Cutter Service shall be counted."

The act of June 10, 1922 (42 Stat. 630), provides—

"Existing laws authorizing a reenlistment gratuity to enlisted men of the Navy and Coast Guard are hereby repealed, and an enlistment allowance equal to \$50, multiplied by the number of years served in the enlistment period from which he has last been discharged, but not to exceed \$200, shall be paid to every honorably discharged enlisted man of the first three grades who reenlists within a period of three months from the date of his discharge, and an enlistment allowance of \$25 multiplied by the number of years served in the enlistment period from which he has last been discharged, but not to exceed \$100, shall be paid to every honorably discharged enlisted man of the other grades who reenlists within a period of three months from the date of his discharge."

The following is quoted from a decision of the Comptroller General of the United States of October 18, 1922 (2 Comp. Gen. 282):

"While section 9 of the act of June 10, 1922, authorizes for enlisted men of the Army and Marine Corps a per cent increase for service in any of the services mentioned in the title of this act, section 10 limits enlisted men of the Navy and Coast Guard to an increase based on 'enlisted service' and places these latter men upon a common basis. By reason of the absence of a definition of what services may be included, as appears for the Army and Marine Corps, there is an apparent intent to limit them to credit for enlisted services upon a common basis. As the act of June 4, 1920 (41 Stat. 835), authorized the counting of service in the Coast Guard and former Revenue Cutter Service by enlisted men of the Navy for longevity pay, and the act of January 28, 1915 (38 Stat. 802), authorized the counting of service in the Navy by enlisted men of the Coast Guard, it would appear that in putting the enlisted men of these two services upon a common basis it was the intent of Congress that each should have the benefit of service in the other."

Accordingly, payments of enlistment allowances to honorably discharged enlisted persons of the Navy who enlisted in the Coast Guard within three months from the dates of their discharges have been made by disbursing officers of the Treasury Department—i. e., collectors of customs and disbursing officers of the Coast Guard—and authority for such disbursements was incorporated in the Coast Guard regulations promulgated by the Secretary of the Treasury.

On December 15, 1924, the Comptroller General rendered a decision on a case involving payment to an enlisted man of the Coast Guard of an enlistment allowance based on the extension of his Navy enlistment. This was the first intimation from his office that such payments were not approved by him. On December 30, 1924, the Comptroller General was advised of the Treasury Department's reasons for making such payments and requested that he reconsider said decision. On January 20, 1925, he adhered to his former decision of December 15, 1924, and instructed that prompt action be taken to secure refundment of all such payments that had been made.

These payments, ranging in amounts from \$50 to \$200, have extended over a period of approximately two years, and the accounts of the disbursing officers of the Treasury Department involving such amounts were approved by the General Accounting Office without question up to the time of the decision of December 15, 1924. Many of the men from whom refundment would have to be secured under the latest decision of the Comptroller General have been separated from the Coast Guard, and as those men now in the service as well as those who have been separated from the service, received such enlistment allowances in good faith, it would be only common justice to them to have the bill S. 4260 enacted into law. In this connection, attention is also invited to the fact that the passage of this bill would require no additional appropriation of funds. I therefore earnestly recommend its passage.

Very truly yours,

A. W. MELLON, *Secretary of the Treasury.*

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